



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

May 14, 2019

**MEMORANDUM**

TO: The Commission

FROM: Lisa Stevenson  
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SUBJECT: MUR 7600 (Utah State Democratic Committee, *et al.*)

RE: Factual and Legal Analysis and Pre-Probable Cause Conciliation Agreement

The Commission originally considered this matter with MURs 7304 and 7331. On April 25, 2019, the Commission voted to close the file in MURs 7304 and 7331 and open a MUR <sup>1</sup> The Commission found reason to believe that the Utah State Democratic Committee and Daisy Thomas<sup>2</sup> in her official capacity as treasurer (the "Committee") violated 52 U.S.C. § 30104(a) and (b) and 11 C.F.R. § 104.3(a) and (b) by failing to report joint fundraising receipts from the Hillary Victory Fund and transfers to the Democratic National Committee on its 2016 12-day Pre-General Election Report.<sup>3</sup> In addition, the

<sup>1</sup> MUR 7600 (Utah State Democratic Committee, *et al.*), Cert. ¶ 9, (Apr. 25, 2019).

<sup>2</sup> At the time of the and the circulation of the General Counsel's Report, Peter Corroon was the Committee's treasurer. The Committee has since named Daisy Thomas as its treasurer. See Utah State Democratic Committee, FEC Form 1, *Amended Statement of Organization* (Feb. 25, 2019).

<sup>3</sup> MUR 7600 Cert. ¶ 9.



1 **FEDERAL ELECTION COMMISSION**

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3 **FACTUAL AND LEGAL ANALYSIS**

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5 **RESPONDENTS:** Utah State Democratic Committee and **MUR:** 7600  
6 Daisy Thomas in her  
7 official capacity as treasurer  
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9 **I. INTRODUCTION**

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14 The Commission opens

15 a Matter Under Review (“MUR”) and finds reason to believe that the Committee violated  
16 52 U.S.C. § 30104(a) and (b) and 11 C.F.R. § 104.3(a) and (b) by failing to report joint  
17 fundraising receipts from the Hillary Victory Fund and transfers to the Democratic National  
18 Committee.

19 **II. FACTUAL AND LEGAL ANALYSIS**

20 **A. BACKGROUND**

21 The Committee is a state committee of the Democratic Party.<sup>3</sup> On December 9, 2016, the  
22 Committee amended its 12-day Pre-General Election Report to disclose additional receipts  
23 totaling \$221,920 on Schedule A, Line 12, “Transfers from Affiliated/Other Party Committees,”

<sup>3</sup> Utah State Democratic Committee, *Statement of Organization*.

1 and additional disbursements totaling \$150,030 on Schedule B, Lines 21(b) and 22.<sup>4</sup> The  
2 Committee also disclosed \$3,023,312.59 in transfers received from two joint fundraisers, but  
3 only itemized \$2,514,102.34 in receipts as its share of contributions received through the joint  
4 fundraisers during the 2016 calendar year, leaving a discrepancy of \$509,210.25.<sup>5</sup>

5 On February 13, 2017, RAD sent a Request for Additional Information (“RFAI”) to the  
6 Committee that, among other items, requested clarification regarding the increase in receipts and  
7 disbursements disclosed in the amended 2016 12-day Pre-General Election Report.<sup>6</sup> The  
8 Committee did not respond to that RFAI.

9 In its response to the the Committee asserts that it is working with an outside  
10 consultant to fix and file amended reports, and notes that the additional activity reported relates  
11 to a transfer received from a joint fundraising committee.<sup>7</sup> The Committee further acknowledges  
12 that it has had issues with reporting that were related to an outside consultant that did not  
13 respond to RAD’s RFAIs, and that it would soon be submitting amendments to its reports to  
14 address its reporting deficiencies.<sup>8</sup> Finally, the Committee requests that this matter be referred to  
15 the Commission’s Alternative Dispute Resolution Office (“ADRO”).<sup>9</sup>

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<sup>4</sup> see also Utah State Democratic Committee, FEC Form 3X, *Report of Receipts and Disbursements for Other than an Authorized Committee*, 12-day Pre-General Report, <http://docquery.fec.gov/pdf/747/201612099040591747/201612099040591747.pdf> (filed Dec. 9, 2016).

<sup>5</sup> *Id.*

<sup>6</sup> See RFAI, <http://docquery.fec.gov/pdf/825/201702130300077825/201702130300077825.pdf> (Feb. 13, 2017).

<sup>7</sup> Resp. at 1 (Mar. 23, 2018).

<sup>8</sup> *Id.* Despite the Committee’s assurances that it had submitted amendments to correct the joint fundraising transfers, and that it would be submitting amended reports to correct all other reporting errors, the Committee has not submitted amendments to its disclosure reports after the date of its Response.

<sup>9</sup> *Id.*

1           **B. LEGAL ANALYSIS**

2           The Federal Election Campaign Act of 1971, as amended (“Act”), requires committee  
3           treasurers to file reports of receipts and disbursements in accordance with the provisions of  
4           52 U.S.C. § 30104.<sup>10</sup> These reports must include, *inter alia*, the amount and nature of these  
5           receipts and disbursements.<sup>11</sup>

6           The Committee violated the Act when it failed to disclose \$809,210.25 in financial  
7           activity on its 2016 12-day Pre-General Election Report. These transactions were disclosed  
8           approximately two months late, after the 2016 general election. Accordingly, the Commission  
9           opens a MUR and finds reason to believe that the Utah State Democratic Committee and Daisy  
10          Thomas in her official capacity as treasurer violated 52 U.S.C. § 30104(a) and (b) and 11 C.F.R.  
11          § 104.3(a) and (b).

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<sup>10</sup>        See 52 U.S.C. § 30104(a)(1); 11 C.F.R. § 104.1(a).

<sup>11</sup>        See 52 U.S.C. § 30104(b)(2), (4); 11 C.F.R. § 104.3(a), (b).